



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 04/22/2025

**REQUESTER:** Ken Giannone, Capital Projects Engineer

**PRESENTER:** Ken Giannone, Capital Projects Engineer

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CHANGE ORDER NO. TWO TO CONTRACT K-2324-146 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND G&L TANK SANDBLASTING AND COATINGS, LLC, FOR THE ROBINSON WATER TOWER RESURFACING AND THE LINDSEY STREET TOWER RESURFACING OR DEMOLITION, DECREASING THE CONTRACT AMOUNT BY \$312,958.58, FINAL ACCEPTANCE OF THE PROJECT, AUTHORIZING FINAL PAYMENT IN THE AMOUNT OF \$43,051.42, AND APPROVAL OF THE RETENTION OF FUNDS FOR POSSIBLE FUTURE USE ON THE LINDSEY STREET WATER TOWER AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

In 2023, the coatings on Norman Utilities Authority's (NUA's) Robinson Water Tower began showing signs of failure. Consequently, NUA issued a purchase order to Dunham Engineering to perform a preliminary inspection of the tower. Dunham Engineering's report confirmed that the coatings on the Robinson Tower were approaching the end of their useful life. Therefore, they recommended that project to resurface the tower be scheduled in the near future. As a result, an engineering contract was executed with Dunham Engineering to prepare bidding documents, and NUA budgeted funds in FYE 2025 for the Robinson Tower Resurfacing (Project WA0382).

Robinson Tower Resurfacing (packaged for convenience with Resurfacing or Demolition of Lindsey Tower (Project WA0182)) was advertised on March 21, 2024, and bids were opened on April 18, 2024. G&L Tank Sandblasting & Painting (G&L) of Shelbyville, Tennessee was deemed the lowest and best bidder, and a contract in the amount of \$816,200.00 (\$504,200 for Robinson Tower and \$312,000 for Lindsey Tower) was awarded to G&L on May 28, 2024. After a delay due to T-Mobile being unable to secure temporary antenna equipment so their cellular antenna could be removed from the tank for the duration of the project, Notice to Proceed was issued on October 7, 2024, and work on the project commenced immediately thereafter.

### **DISCUSSION:**

Several issues have arisen during the course of the project that will require a final change order to the contract to remedy. First, as noted above, for convenience, this project was bundled with Lindsey Tower Demolition. Lindsey Tower is no longer in service and the NUA no longer needs

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it for its operations, but City of Norman is investigating if tower can be preserved. For this reason, the demolition of the Lindsey Tower was included with the explicit contract requirement that work could not proceed on the demolition for a minimum of 6 months after Contract Award in order to give the City of Norman time to pursue other options that would allow Lindsey Tower to be preserved rather than demolished. In late November 2024, the City determined that sufficient progress had been made in exploring options to preserve Lindsey Tower that demolition should not proceed at this time, and G&L was immediately informed that this work would be deleted from their contract. For this reason, we proposed to delete the following line items from Contract K-2324-146 as part of proposed Change Order No. 2:

Section/ Line Item	Description	Units	Quantity	Unit Price	Total Cost
II/1	Demolition of Lindsey Tower: Mobilization and Insurance	Lump Sum	1	\$10,000.00	\$ 10,000.00
II/2	Demolition of Lindsey Tower: Demolish Lindsey Tower	Lump Sum	1	\$290,000.00	\$ 290,000.00
II/3	Demolition of Lindsey Tower: Fence Removal/Installation and Site Clean-Up	Lump Sum	1	\$12,000.00	\$ 12,000.00
<b>Total Contract Reduction for Lindsey Tower Demolition =</b>					<b>\$ 312,000.00</b>

In addition, during final inspection of the project, damage was observed to the NUA's telemetry equipment (which measures water level in tower and transmits it to WTP) that was temporarily removed from Robinson Tower by G&L. G&L completed repairs to electric feed and agreed to be backcharged as part of their final payment in order to reimburse NUA for full cost to furnish and install a new antenna. The charges were as follows:

Vendor	Reason	Date	Amount
DigiSource	New Antenna	2/4/2025	\$ 408.58
United Rentals	Lift to Install New Antenna	2/12/2025	\$ 350.00
United Rentals	Lift to Install New Antenna	2/13/2025	\$ 200.00
<b>Total Backcharges for Antenna Repair =</b>			<b>\$ 958.58</b>

We propose to recover the above-described charges as part of Change Order No. 2 with a credit in the amount of \$958.58.

Lastly, as noted above, Notice to Proceed on this project was delayed for several months from June 2024 to October 2024 while T-Mobile secured a temporary antenna to maintain service while their existing cellular antenna on Robinson Tower was removed for the duration of the resurfacing. As a result, instead of work proceeding during the summer season when days are longest and temperatures, humidity and rainfall are all conducive for coating installation, it was

required to proceed during late fall and winter when days are shortest and temperatures and other weather conditions are often incompatible with coatings work. Based on this, a no-cost time extension of 64 Calendar Days in Change Order No. 2 is recommended.

Proposed Change Order No. 2 would reduce G&L's contract by \$312,958.58 or 38.34%. Executed Change Order No. 1 has already reduced G&L's contract by \$4000.00 from \$816,200.00 to \$812,200.00. If approved, proposed Change Order No. 2 would further reduce the final contract amount to \$499,241.42. As noted, proposed Change Order No. 2 would also include a 64-Calendar-Day, no-cost time extension. If approved, it would extend the Contract Completion Date to April 9, 2025.

A final inspection with Engineer, WindForce, and NUA staff present was completed on March 18, 2025. Windforce recommends approval of the Change Order No. 2 and acceptance of the project.

As of this date, G&L has been reimbursed a total of \$456,190.00 for their work. A total of \$43,051.42 is still owed to them on their contract. This includes \$24,010.00 for retainage and \$19,041.42 for completed work that has not yet been billed.

Pursuant to discussions with City Council, the funds that would have been required for demolition of the Lindsey Tank are proposed to be retained in Lindsey Tower Construction account (31993345-46101 / Project WA0182) for a future project to either rehabilitate the Lindsey Tank for purposes not associated with the water or demolish the tank. This would be a project administered by another Department with the maximum cost allocation from the Utilities Department to be \$357,000 which is the total of the construction amount (\$312,000) as competitively bid and construction oversight (\$45,000) as negotiated with the Engineer for the project. This will require a transfer from Design account into the Construction account upon completion of project and close-out of the Engineering contract.

**RECOMMENDATION NO. 1:**

Staff recommends that Change Order No. 2 to Contract K-2324-146, Robinson Tower Resurfacing (Project WA0382) and Lindsey Tower Resurfacing or Demolition (Project WA0182), between Norman Utilities Authority and G&L Tank Sandblasting and Coatings, LLC, decreasing the contract by \$312,958.58, be approved.

**RECOMMENDATION NO. 2:**

Staff recommends that Final Acceptance of Contract K-2324-146, Robinson Tower Resurfacing (Project WA0382) and Lindsey Tower Resurfacing or Demolition (Project WA0182), be approved.

**RECOMMENDATION NO. 3:**

Staff recommends that Final Payment to G&L Tank Sandblasting and Coatings, LLC for Contract K-2324-146, Robinson Tower Resurfacing (Project WA0382) and Lindsey Tower Resurfacing or Demolition (Project WA0182), in the amount of \$43,051.42, be approved.

**RECOMMENDATION NO. 4:**

Staff recommends the \$357,000 removed from the contract for demolition of Lindsey Tower be retained in Lindsey Tower Demolition (Project WA0382, Account No 31993354-46101) to be available if the City of Norman decides to take ownership of, and preserve, Lindsey Tower.